REMARKS

Claims 1 - 34 and 70 - 72 are pending.

Claims 1, 70, 71 and 72 are independent.

Telephone Interview

Applicants are very grateful for the courtesy extended by the Examiner during the Interview of February 12, 2002.

Applicants also note that the Examiner's Interview Summary mailed February 19, 2002 refers to "rebating an item if a subscription is purchased at a retail location." Although Applicants did discuss such an embodiment of the present invention, Applicants desire to clarify that the pending claims are not limited to such an embodiment.

Section 112 Rejections

Claims 26 and 27 stand rejected as being indefinite. Applicants have amended claim 26 to correct the antecedent basis error noted by the Examiner.

Section 103(a) Rejections

Claims 1 - 34 and 70 - 72 are rejected as being unpatentable over a combination of <u>Johnsen</u> (U.S. Patent No. 5,250,789) and <u>Folio</u>.

Possible interpretation of independent claims.

It is Applicants' understanding that, during the Interview, the Examiner indicated that the interpretation of the independent claims was that the "at least one item" and the "subscription to a periodical" could be the same. According to this interpretation, the Examiner believes the independent claims read on a combination of the Johnsen and Folio reference.

Applicants do not believe this conclusion to be reasonable. Nevertheless, to expedite allowance of the present application Applicants have amended independent claims 1, 70, 71 and 72 to make express what was implicit:

the subscription to the periodical is not the at least one item.

Conclusion

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Dean Alderucci at telephone number 203-461-7337 or via electronic mail at Alderucci@WalkerDigital.com.

Petition for Extension of Time to Respond

Applicants hereby petition for a **three-month** extension of time with which to respond to the Office Action. Please charge \$460.00 for this petition to our <u>Deposit Account No. 50-0271</u>. Please charge any additional fees that may be required for this Response, or credit any overpayment to <u>Deposit Account No. 50-0271</u>.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

February 27, 2002

Date

Respectfully submitted,

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CLAIM AMENDMENTS MARKED UP FORM

Please AMEND the claims as follows:

- 1. (AMENDED) A method, comprising:

 receiving a signal that indicates at least one item;

 ascertaining whether the at least one item is associated with an offer for a rebate;

 generating a code if the at least one item is associated with an offer for a rebate;

 outputting a signal that represents the code;

 outputting an offer for a rebate in exchange for establishing a subscription to a periodical,

 in which the subscription to the periodical is not the at least one item; and

 charging an item price.
- 26. (AMENDED) The method of claim 25, in which the step of receiving a customer identifier comprises:

receiving an account identifier that identifies [the] an account.

- 70. (AMENDED) An apparatus, comprising:
 - means for receiving a signal that indicates at least one item;
- means for ascertaining whether the at least one item is associated with an offer for a rebate;
- means for generating a code if the at least one item is associated with an offer for a rebate;
 - means for outputting a signal that represents the code;
- means for outputting an offer for a rebate in exchange for establishing a subscription to a periodical, in which the subscription to the periodical is not the at least one item; and means for charging an item price.

71. (AMENDED) A computer readable medium encoded with processing instructions for implementing a method, the processing instructions for directing a computer to perform the steps of:

receiving a signal that indicates at least one item;

ascertaining whether the at least one item is associated with an offer for a rebate; generating a code if the at least one item is associated with an offer for a rebate;

outputting a signal that represents the code;

outputting an offer for a rebate in exchange for establishing a subscription to a periodical, in which the subscription to the periodical is not the at least one item; and charging an item price.

72. (AMENDED) An apparatus, comprising:

a processor;

a memory connected to the processor, the memory for storing a program for controlling the processor; and

the processor operative with the program to:

receive a signal that indicates at least one item;

ascertain whether the at least one item is associated with an offer for a rebate; generate a code if the at least one item is associated with an offer for a rebate; output a signal that represents the code;

output an offer for a rebate in exchange for establishing a subscription to a periodical, in which the subscription to the periodical is not the at least one item; and charge an item price.